VZCZCXRO3026 RR RUEHGH RUEHVC DE RUEHCN #0253/01 3130941 ZNR UUUUU ZZH R 090941Z NOV 09 FM AMCONSUL CHENGDU TO RUEHBJ/AMEMBASSY BEIJING 1950 RUEHC/SECSTATE WASHDC 3509 INFO RUEHOO/CHINA POSTS COLLECTIVE RUCPDOC/DEPT OF COMMERCE WASHINGTON DC RHMFISS/DEPT OF ENERGY WASHINGTON DC RUEAEPA/EPA WASHINGTON DC RUEHCN/AMCONSUL CHENGDU 4212

UNCLAS SECTION 01 OF 02 CHENGDU 000253

SENSITIVE SIPDIS

DEPT FOR EAP/CM

E.O. 12958: N/A

TAGS: <u>ELAB EMIN ECON PREL PGOV CH</u>
SUBJECT: GUIZHOU COALMINE SAFETY MAKES PROGRESS, BUT REMAINS

PROBLEMATIC

CHENGDU 00000253 001.2 OF 002

11. (U) This cable contains sensitive but unclassified information - not for distribution on the Internet.

 $\underline{1}2$. (SBU) Summary: Between 2003 and 2008, coalmine deaths in Guizhou - one of the poorest provinces in China - fell from 973 to 453, an industry regulator told Consul General November 3 in Guiyang. The official attributed the improvement to increased closures of mines, tougher standards for obtaining mining permits, improved structural design in mines, and new rules mitigating coalmine gas. Coalmine accident rates remain comparatively high in Guizhou versus the rest of China; China's passive, government-controlled labor unions have not been a vocal force for safety improvements. The official requested renewed cooperation with the United States on mine safety. End Summary.

Mine Safety: Guizhou's Recent Efforts

- (SBU) In order to better understand labor rights and conditions in the Guizhou mining sector, Consul General met on November 3 with Chen Fuqing, Vice Director of the Guizhou Administration for Work Safety (GAWS). GAWS was established in 2000, and employs about 60 staff working in 5 sub-bureaus in 9 cities and prefectures.
- 14. (SBU) The mining sector is a vital component of the Guizhou economy, ranking fifth among Chinese provinces in coal output. Chen informed CG that small mining operations account for about 70 percent of coal output, and that $\bar{9}0$ percent of all mines in Guizhou are privately operated. To date, there is no foreign direct investment in Guizhou coalmines.
- 15. (SBU) Mining safety issues remain problematic throughout China, where unsafe working conditions and poor worker rights often lead to deadly accidents. In 2008, China averaged about 1.2 fatalities per million metric tons of coal produced, according to an official from the National Energy Bureau. Chen

asserted that mine safety is especially problematic in Guizhou compared to other Chinese provinces and foreign countries. He informed CG that in 2008 Guizhou averaged 3.84 fatalities per million metric tons of coal. Despite this comparatively high rate, it represents a significant decrease from the 2000 Guizhou rate of 21.3 fatalities per million metric tons of coal. (Note: By comparison, the U.S. in 2008 had only 0.028 deaths per million metric tons of coal, according to data from the Mine Safety and Health Administration. End Note.)

16. (SBU) Chen attributed Guizhou's improved safety record to four factors:

a. Mine Closures:

At its peak, Guizhou had over 10,000 coalmines but today this number is only about 1,800. GAWS closes about 10 coalmines per year based on complaints from ordinary citizens. CG asked about the role of labor unions in mine safety. Chen responded all mines have them but that they "work differently in China than in the U.S." (Comment: Chinese labor unions are subordinate to the Communist Party, are not independent of management, and lack the power to strike. Chen's vague response was his safe way of signaling that labor unions do not play a vocal role in mine safety issues. This being said, we have to imagine that the anger of families of victims of mine accidents has added pressure to the government to improve worker safety. End Comment.)

CHENGDU 00000253 002.2 OF 002

b. Tougher Standards on Mining Permits

Chen stated that before 2000, obtaining a mining permit was very easy, only requiring permission from the county government. New rules now require permit-seekers to obtain approval from the Provincial Administration of Work Safety, and the Environmental Protection Department.

c. Improved Coalmine Structural Standards:

New regulations require coalmines to build iron and steel frameworks before they start coal production. This is strictly enforced on all coalmines. If mining companies are found to be non-compliant, they will be fined, required to participate in safety training, or closed in more serious cases. These measures have especially helped to reduce the number of accidents caused by roof cave-ins.

d. New Rules Reducing Mine Gas:

Mine gas, composed primarily of methane, is a natural byproduct of the geochemical reactions that produce coal. Mining activity releases trapped mine gas and when mixed with air it can produce deadly explosions. New regulations require mine gas to be pumped out before mining activity can begin. In 2008, about 600 million cubic meters of coal gas was pumped out of mines throughout Guizhou, compared with only 100 million cubic meters

in 2007. In 2005, mine gas explosions caused 86 accidents leading to 312 deaths, while in 2008 these numbers fell to 21 accidents and 69 deaths. This reflects a drop in the proportion of accidents caused by mine gas from over 50 percent in 2003 to less than 20 percent in 2008.

Cooperation with the United States

¶7. (SBU) Chen highlighted recent cooperation between GAWS and the United States through training programs and requested increased exchanges. The first example was a management and technology-focused training program held in West Virginia in 1994, which led Guizhou officials to streamline operations by reducing employees at one large mine from 30,000 to 10,000 while increasing total output. The second example was the current coalmine safety program used throughout China, which researchers from West Virginia University proposed to former Chinese Premier Zhu Rongji. Acting on these recommendations, Zhu Rongji helped create the State Administration for Work Safety.